

## 2013-2014 PROPOSED TAX INCREASE

7/30/13

It is the school budget and the new funding formula that created a \$298,810.00 increase to total expenditures which in turn causes the *proposed* tax increase. We were *anticipating* holding the tax increase to 1 mil (\$100.00 on \$100,000.00 of valuation) by using our Unassigned Fund Balance (Surplus). *However, we are exploring our options of withdrawing from the RSU because we will not be able to depend on our Unassigned Fund Balance (Surplus) in the future to help reduce tax increases.*

The Town Manager and the Board of Selectmen put forth a Municipal Budget that increased the total spending by \$46,222.00 from last year, however, that included 2 one-time costs (Public Works Garage addition with a bathroom, office and storage space of \$35,000.00 and a new generator for the Town Hall of \$15,000.00). We also increased the Public Works Truck Reserve by \$10,000.00 and we started a new Bridge Reserve/Culvert Replacement account of \$10,000.00. If you subtract out the 2 one-time cost projects the operational budget would be reduced by \$50,000.00 which would indicate we would have lowered the spending from last year to this year of -\$3,778.00 not counting the additional \$20,000.00 in reserve accounts.